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Repeal Regulatory Burdens on Businesses
Support the One In, Two Out Act

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Since 1975, the number of pages in the U.S. Code of Federal Regulations has more than doubled. In the last decade alone, the number of rules with a \$100 million annual economic impact has increased by more than 60%. Small businesses in particular struggle to cope with the incessant onslaught of regulations, which cost about \$1.75 trillion annually—nearly twice as much as all individual income taxes collected last year. According to the U.S. Chamber of Commerce, businesses with fewer than 20 employees incur regulatory costs 42% higher than larger businesses. The Small Business Administration estimates that the average regulatory cost per employee exceeds \$10,500 per year.

In 2011, the United Kingdom instituted a “One In, One Out” policy to reduce regulatory burdens on business. The policy requires government departments to assess the net cost to business of complying with a proposed regulation (the “in”). Any cost to business resulting from a proposed regulation must be offset by a deregulatory measure (the “out”) that would reduce net costs by at least the same amount prior to implementing the new regulation. When the policy was enacted, a total of 157 domestic regulatory measures were proposed, 119 of which would have imposed a burden on business. After just six months, only 46 regulations remained, and only 11 of those imposed a net cost to business.

To reduce the regulatory burdens on businesses, Rep. Michael McCaul (R-TX) has introduced H.R. 2997, the One In, Two Out Act, legislation modeled after this successful British policy. The **One In, Two Out Act** prohibits an agency from issuing a rule unless it first repeals two or more rules. This commonsense policy will be good for business and our economy.

To cosponsor H.R. 2997 or for more information, please contact Charles Fields in Rep. McCaul’s office at CharlesFields@mail.house.gov or 5-2401.

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